

U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT

Testimony of Amy Fecher on behalf of the Delta Regional Authority  
May 3, 2017

Mr. Chairman, Ranking Member and all other members of the Committee. My name is Amy Fecher, and I represent the State of Arkansas and Governor Asa Hutchinson as his Designee to the Delta Regional Authority Board of Governors. I am here today to provide my testimony, emphasizing the critical importance of the Delta Regional Authority and the continued need for the investments that it provides to the communities of the Mississippi River Delta region.

The Delta Regional Authority (“DRA” or “the Authority”) is an independent federal agency created by Congress in the “Delta Regional Authority Act of 2000” that serves 252 counties and parishes in an eight-state region: Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee. DRA operates as a federal-state partnership and works with the governors and its local development districts by utilizing market-proven processes to improve economic outcomes and enhance the quality of life for the 10 million residents located throughout its region. Per congressional mandate, the Authority makes strategic investments into basic public infrastructure, transportation infrastructure, workforce training and education, and business development with an emphasis on entrepreneurship, to advance economic and community development in the Mississippi River Delta region and Alabama Black Belt.

According to 7 USC CHAPTER 50, SUBCHAPTER VI: DELTA REGIONAL AUTHORITY, “the lower Mississippi River region though rich in natural and human resources, lags behind the rest of the United States in economic growth and prosperity.” As of FY 2016, 234 of the 252 counties and parishes within the DRA footprint are deemed economically distressed; 21.3 percent of the region lives in poverty; approximately 91 percent of DRA’s counties and

parishes are considered Health Professional Shortage Areas (HPSAs); and only 55.9 percent of adults have a high school diploma or GED. On behalf of the State of Arkansas and Governor Hutchinson, I believe that DRA can serve as a valuable tool to carry out the goals of President Trump and Congress to strengthen our nation's infrastructure and economy.

DRA receives the majority of its appropriations from this subcommittee and the U.S. Senate Committee on Appropriations, Subcommittee on Energy and Water Development. Since FY 2002, DRA has invested approximately \$163 million into basic public infrastructure and transportation improvements, workforce training and education, and business development projects. These investments have helped leverage nearly \$3.5 billion in other public and private funds. With investments in more than 1,000 projects, DRA has assisted in: 1) 37,119 jobs created and retained, 2) 7,372 individuals trained, and 3) providing 66,114 families with access to improved water and sewer services. In FY 2016, DRA invested \$21.5 million in 91 projects, helping leverage \$296.1 million in other public and private funds. These FY 2016 investments will assist in: 1) creating and retaining 5,059 jobs, 2) training 2,964 individuals, and 3) providing access to improved water and sewer services to 23,428 families.

As an independent agency operating as a federal-state partnership, DRA works closely with each of the eight governors and their designees to invest in economic and community development projects supporting the needs of their respective states. In accordance with DRA statute, each state is required to develop a strategic plan, complementing the goals of DRA's Regional Development Plan, and emphasizing how to utilize their DRA investment allocation within the DRA footprint in their respective state. To align its investments with each state's economic development goals, DRA works with each governor by allowing them to certify and select projects within their state. Selected projects must receive a voting majority of the DRA Board of Governors and the Federal

Co-Chairman (appointed by the President and confirmed by the Senate) to ensure optimal investments. Per congressional mandate, DRA must invest 50 percent of its appropriations into basic public infrastructure and transportation infrastructure, and 75 percent in economically distressed areas.

### **Basic Public Infrastructure & Transportation Infrastructure**

In FY 2016, DRA invested in a variety of infrastructure projects throughout the region, including water and sewer improvements, road infrastructure, and small inland port maintenance and expansion. Examples of these investments include:

- **Bull Shoals Wastewater System (AR)** - \$500,000 DRA investment to provide crucial wastewater services to more than 1,200 families in the community.
- **Brookhaven Industrial Park Infrastructure (MS)** - \$1.25 million DRA investment for access road improvements that assisted with the retention of 1,500 jobs.
- **New Bourbon Port/Levee Repair (MO)** - \$1.25 million DRA investment to repair the damaged levee to allow the port to be functional for existing industry.

### **Business Development with Emphasis on Entrepreneurship**

In FY 2016, DRA invested in business development projects throughout the region. One example of these investments includes:

- **Growing Southern Illinois (IL)** - \$160,000 DRA investment to assist in strengthening the entrepreneurial ecosystem in 16 Delta counties. Services include mentoring, management skills, and access to capital.

### **Workforce Development**

In FY 2016, DRA invested in a variety of workforce development projects throughout the region.

In Arkansas, we understand that infrastructure investments are key to the economic viability of

both urban and rural communities; however, we also recognize the importance of a skilled workforce to advance economic development efforts throughout the country. DRA understands that a quality workforce is essential to gain new or expand existing industries, and therefore makes strategic investments to complement each Delta state's existing workforce development initiatives. One example of DRA's workforce development investments includes:

- **South Arkansas Community College Advanced Manufacturing Training Center (AR)** - \$200,000 DRA investment to assist with the construction of a 9,000 square-foot facility for classroom training space to assist industry-supported training programs.

As previously mentioned, much of the DRA footprint is considered economically distressed and is comprised primarily of small, rural communities. Often, Delta stakeholders voice their concerns regarding the difficulty of navigating federal resources from DRA's larger counterparts. From 2010-2016, DRA invested 32.5 percent of its funds into communities with a population of 2,500 or less, and 26.4 percent of its funds were invested into communities with a population between 2,501-10,000. Therefore, 59 percent of DRA's funds were invested into communities with a population of 10,000 or less. Too often, these small rural communities do not have the capacity to develop and fund projects on their own. Since its establishment, the Authority has assisted these communities through its own investments, leveraging DRA funds with other public and private investments, or by connecting them with other federal partners to identify the availability of applicable funding programs and resources.

One of the benefits of DRA is its ability to move quickly to assist the needs of Delta communities and private industry. If projects are deemed eligible and certified by the governor, DRA has the ability to fund projects outside of the application timeline. At times, there are projects necessitating industry to move quickly to seize an economic opportunity and create jobs, and

DRA's flexibility has allowed Arkansas and other Delta states to successfully secure significant economic development projects. Additionally, DRA is able to support vital public infrastructure in communities that sustain damage due to a disaster through its small emergency/contingency fund. For example, the Authority recently approved two emergency investments last month: In Higginson, AR, a small community of 600 people was hit by a tornado and suffered major damage to their sewer plant. DRA provided \$23,000 to assist with the restoration of these facilities. In Crossville, IL another tornado damaged natural gas lines and a water tank. DRA provided \$43,000 to expeditiously help restore these services to the community. Both emergency investments were crucial to ensure necessary public safety in the aftermath and recovery of these disasters.

Lastly, I would be remiss if I did not discuss one of DRA's longest running and most impactful programs – the Delta Leadership Institute (DLI). This program, which I had the honor to graduate from in 2013, is designed to teach individuals from across the Delta region about economic and community development, regional collaboration, and new, innovative best practices to advance our rural communities. Each year a group of 50 individuals are selected to go through the year-long program. These individuals then go back to their respective communities with knowledge, skills, and a dynamic network of fellow leaders and policy experts to aid their communities. To date, the DLI has graduated more than 450 leaders.

I hope the information I have provided today speaks to the overwhelming value of DRA investments throughout the Delta region. DRA's primary goal is to help bring economic prosperity to one of the most distressed areas in the country, and is a successful model of public-private partnerships. Thank you for the opportunity to provide this testimony, and I urge you to continue funding DRA so that it can continue to make strategic investments in the Delta region's basic public infrastructure and transportation, workforce training, and business development.